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March 5, 2018

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

"Re: WC Docket No.17-130, Promoting Telehealth in Rural America"

Dear Secretary Dortch,

This letter represents MiCTA's response to the Commission's Notice of Proposed Rulemaking and Order as published in the Federal Register on January 3, 2018.

Overview

MiCTA, formerly the Michigan Collegiate Telecommunications Association, was created in 1982 as a professional organization of telecommunications directors at Michigan's public universities. Originally, MiCTA served as a forum to share information among the universities, and has expanded to provide needed services. MiCTA now serves thousands of members across the country representing public sector and non-profit entities such as: Higher Education, K-12, Health Care, Libraries, State, County and Municipal Governments as well as non-profit Religious and Charitable organizations.

Of the many services MiCTA provides to its members we believe that coordinating group purchasing programs and aggregating member demand to facilitate members' purchases of competitively bid products and services to be one of the most important. On behalf of its Healthcare membership MiCTA has filed multiple times encouraging the Commission to expand the capabilities of the RHC Program.

III. Notice of Proposed Rulemaking

A. Addressing RHC Program Funding Levels

1. Revisiting the RHC Program Funding Cap

MiCTA believes that retroactively raising the 2017 RHC Program Funding Cap to $571 million based on inflation since the inception of the RHC Program will bring the Program in alignment with the process used by the E-Rate Program as stated by the Commission. This addition of the adjustment for inflation will allow the Commission time to address, as stated in the Introduction, its concern that "part of the funding request growth is due to an increase in waste, fraud and abuse in the RHC Program." We believe this should provide support in the short term necessary to cover anticipated increases in funding requests for at least the next two years.

2. Prioritizing Funding if Demand Reaches the Cap

Adopting a "Prioritizing" mechanism as a safeguard if the Cap is exceeded would ultimately cause harm to a large number of applicants who have spent a considerable amount of time and effort in planning and filing the necessary Forms only to find out that the funding they had hoped for was being reduced. Instead, we would ask the Commission to set in place a mechanism that would increase the Funding Cap when USAC funding data projections demonstrate it is warranted assuring that applicants will receive funding as approved in a timely manner.

3. Targeting Support to Rural and Tribal Healthcare Providers

Relative to "increasing the HCF Program consortia "majority rural" healthcare provider requirement" a percentage increase to 60% rural would seem feasible. Anything above that may prove to be counterproductive as we believe that non-rural participants in HCF Consortia typically pay the 35% cost requirement for the rural participants.

We believe that the "three-year grace period" for consortia was created to stimulate participation in the HCF Program and should be removed given the growing demand for funding by increasing numbers of qualified "majority rural" consortia.

Regarding the Commission's question as to whether or not Program support should be given to an HCF consortium's non-rural healthcare members "if they do not directly provide clinical care or other healthcare related services to patients of their affiliated rural healthcare providers" we believe that they should receive Program support. It has been our experience that these non-rural HCP members provide, as noted by the Commission, "consortium formation and leadership, administrative resources, and greater bargaining power with service providers." We would add that the non-rural HCP's also provide the IT support for these rural HCP consortia members. Realistically, if it were not for the "significant benefits they provide, most if not all of their affiliated rural HCPs would not file for HCF funding.

B. Promoting Efficient Operation of the RHC Program to Prevent Waste, Fraud and Abuse

We believe that the Telecom Program participants should be subject to the same kinds of oversight required of the HCF Program participants and among other things, as stated by the Commission in this NPRM, "reforms to the Telecom Program could provide greater incentives for healthcare providers to make more cost-efficient services purchases."

2. Reforming the Rules for Calculating Support in the Telecom Program

We would suggest to the Commission that instead of using a calculation of comparing urban to rural rates that the Commission establish a flat discount percent as is present in the HCF Program reducing the administrative burden for USAC relative to dealing with two types of discount models while requiring that more funding responsibility be placed on Telecom applicants insuring that they will have more fiscal responsibility in determining their service costs.

We therefore agree with the Commissions discussion in III B.1.a.42, **Identifying Healthcare Providers with Particularly High Support Levels,** that the Commission would "require USAC to set a benchmark percent discount for the Telecom Program that would remain static from year to year" unless the Commission, in its future findings, determines that an adjustment is required."

This would "encourage healthcare providers to be price sensitive to choosing services and carriers."

C. Improving Oversight of the RHC Program

1. Establishing Rules on Consultants, Gifts and Invoicing Deadlines

a. Establishing Rules on the Use of Consultants

MiCTA agrees with the Commission that it should "adopt a new rule in the Telecom Program" that coincides with the HCF Program rule that "applicants are required to identify, through a "declaration of assistance," any consultants, service providers, or any other outside experts who aided in the preparation of their applications."

b. Establishing Consistent Gift Restrictions

We agree with the Commission that they should "codify for the RHC Program a gift rule that is similar to the codified rule in the E-Rate Program."

Also, given the fact USAC has determined who the 2017 approved funding applicants are MiCTA asks that the Commission, in all fairness to those applicants, instruct USAC to at least send out emails informing them that they have been approved so that they do not go through the process of re-filing for 2018 funding.

Respectively submitted on behalf of MiCTA by,

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